

CHAPTER 6

RESOURCE CONSERVATION AND ENVIRONMENTAL PROTECTION

Introduction

Californians demonstrate a strong commitment to environmental protection and resource conservation. A Public Policy Institute of California poll released in July 2004 indicates that 55 percent of Californians believe the environment should be a top policy priority. Not surprisingly, these sentiments are reflected in state government's approach to environmental protection, with the combined budgets for environmental and resource conservation topping \$5 billion annually, an amount that exceeds the individual general fund budget of 22 states; with programs that employ 21,000 people dedicated to environmental protection; and with voter approval of \$11 billion in general obligation bonds that have incurred over \$20 billion in long-term state debt.

Despite this commitment of resources and recognized world leadership in many areas, California Performance Review (CPR) research efforts concluded the state's environmental and resource conservation efforts are hampered by its organizational structures. The organization envisioned when the California Environmental Protection Agency was created in 1991 was never completed, and resource conservation programs have matured so that programs have overgrown one another. The result is fragmented authority existing alongside overlapping and duplicative functions. The purported side effect is a lack of integration and cohesiveness that limits the effectiveness of California's unparalleled environmental protection efforts.

To address these concerns, the CPR team identified 35 issues and 82 specific recommendations which aim to:

- Coalesce functions into single program areas where feasible to eliminate overlap and duplication.
- Increase accountability and focus environmental protection and resource conservation efforts on outcomes.
- Create efficiencies with process improvements and the application of technology.

Savings of \$350 million over five years are projected if these recommendations are implemented. The majority of these savings accrue to special funds that do not count toward the state's structural, General Fund deficit and could be made available for reinvestment back into program areas.

CPR COMMISSION HEARING

The CPR Commission hearing on Resource Conservation and Environmental Protection was conducted at California State University, Fresno on September 17, 2004. Three expert panels representing a diverse array of perspectives testified on:

- Water Policy and Oversight
- Regulations and Environmental Protection
- Conservation, Management and Stewardship

In all, 18 witnesses comprised the panels that provided oral testimony to the Commission.

SUMMARY OF PUBLIC COMMENT

The legitimacy, importance, and complexity of environmental issues and environmental regulation were acknowledged by witnesses and the public who offered sometimes widely divergent views of the benefits and unintended consequences of CPR proposals and the status quo. Many of those who testified expressed dissatisfaction with the process employed by CPR to gather information, describing it as one-sided, biased, or lacking in critical input. Others felt the analysis of issues as incomplete, vague, inaccurate, or, in some cases, completely absent.

There was a nearly unanimous consensus of opinion about the need to retain environmental boards and commissions. Opinions about which boards to retain varied in specificity from speaker to speaker, but included: the California Air Resources Board; the State Water Resources Control Board; Regional Water Quality Control Boards; the Energy Commission; the Board of Forestry and Fire Protection; the State Lands Commission; and the State Historical Resources Commission.

A total of 593 comments were received on the Resource Conservation and Environmental Protection recommendations contained in the CPR report.

RES 01

ESTABLISH A SINGLE POINT OF CONTACT FOR ALL PUBLIC INQUIRIES TO THE CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

ISSUE

The California Environmental Protection Agency lacks a central point of contact for the public to obtain information and assistance about its environmental protection programs and its regulatory requirements. The agency does a poor job of providing timely and appropriate customer service to phone inquiries and website visits. The agency should take a number of steps to improve customer service including creating a toll-free phone center, reengineering its website, linking all regulatory information and developing systems to allow for online submission of data.

SOLUTIONS

- *Create an Office of Regulatory and Compliance Assistance charged with responsibility for serving as a “one-stop shop” for all public inquiries on regulatory compliance programs and for the general public requesting information via a toll-free phone center.*
- *Give the Office of Regulatory and Compliance Assistance responsibility for reengineering business practices and upgrading information technology systems that enable public searches of public databases, allow access to regulatory compliance and program information, and enable submission of compliance and reporting data via the Internet.*

PUBLIC COMMENT

12 comments were received for this recommendation. 6 comments expressed support. 3 comments expressed opposition. 3 comments were neutral.

Pros

- The current dispersion of expertise and the tendency toward “silo-based” information means public inquiries on both basic questions and detailed information are frustrated or answered based on the “luck of the draw.” A single point of contact would vest responsibility for this function and pool expertise to perform the function in a single place.
- Fundamentally, success for environmental programs depends on not just a willingness to comply, but an understanding of how to comply. Providing a single source of expert advice on how to follow the rules offers the promise of increased compliance and better results.

Cons

- This recommendation may not be viable. Considering the breadth of knowledge required for this function, creating a single source of information is virtually impossible.
- Focusing resources on this function detracts from environmental protection efforts.

Considerations

- The focus of this program should not be exclusively on business and regulatory compliance, but should also be a resource for the general public.
- An Office of Regulatory Compliance should not just be reactive; it should proactively reach out to businesses to assist them with compliance.
- Proprietary information submitted by businesses as a part of the permitting process must be kept confidential.
- Internet-based information must be accessible in a manner that is intuitive and the information must be comprehensible.
- These services should not replace compliance assistance efforts that are underway now and should operate in conjunction with those programs.
- This office should not displace other program efforts or supplant enforcement efforts.

RES 02

CONSOLIDATE CLEANUP, SPILL PREVENTION AND EMERGENCY RESPONSE PROGRAMS

ISSUE

Cleanup of hazardous waste sites, spills, and abandoned dump sites is divided between eight departments all of which use different standards and administrative processes, which creates confusion, inefficiency and increases costs.

SOLUTIONS

- *Consolidate programs responsible for environmental cleanup of hazardous material into a new cleanup program located within the California Environmental Protection Agency or its successor.*

- *Consolidate programs responsible for spill prevention and emergency response into a single Spill Prevention and Emergency Response program located within the California Environmental Protection Agency or its successor.*

PUBLIC COMMENT

12 comments were received for this recommendation. 8 comments expressed support. 2 comments expressed opposition. 2 comments were neutral.

Pros

- Fragmentation of cleanup efforts has led to several cleanup programs that use different processes, different standards, and the unintended consequence that the state does not know how many toxic sites exist. This proposal will eliminate public confusion, eliminate so-called “forum shopping” for the “easiest” cleanup agency, and alleviate government infighting over conflicting policies and processes.
- A melding of the expertise that exists in the various departments responsible for these cleanup programs should result in synergy and efficiency. It should also focus attention on the outcome by removing procedural impediments and distractions caused by overlapping jurisdiction.
- A single program will allow for cleanup projects to use the Department of Toxic Substances Control process, which is more open and inclusive of the public.

Cons

- If implementation of this proposal is not handled properly, the worst of both programs will emerge, instead of the desired outcome that will allow administrators to choose the best, most appropriate mechanism to achieve results.
- The Department of Toxic Substances Control has no mandate to clean up sites or sources to meet water quality standards.
- Emergency response for toxic spills should remain within an emergency response function (e.g. the Office of Emergency Services, local fire personnel). Oil spill prevention and response should remain within the Department of Fish and Game because the response is not just focused on containment and cleanup, but also on remediation of impacts to fish, wildlife and habitat.

- The radiological oversight program should be a part of this division instead of a function of the proposed waste management division.
- Some corrective (cleanup) actions are a permit condition and should not be consolidated with this function, but should be included in the waste management function.

Considerations

- If implementation of this proposal is not handled properly, the worst of both programs will emerge, instead of the desired outcome that will allow administrators to choose the best, most appropriate mechanism to achieve results.
- County agricultural commissioners play a role in handling of pesticides that could be added to this functional area.
- The Department of Toxic Substances Control process should be a preferred cleanup process because it allows for more public access and public input into the cleanup process.
- The merger of these programs should not result in a loss of authority to the state program to achieve water quality standards when site cleanup addresses contaminated groundwater or surface water.
- The practicality of adding oversight of pesticide handling as an element of this program should be considered.
- The appropriateness of adding the radiological waste oversight functions being transferred from the Department of Health Services to this function instead of the waste management function should be explored.
- The need to retain federal corrective actions that come as a condition of permitting (i.e. in the waste management division), and not the cleanup function, should be evaluated.
- The importance of a consultative role and a memorandum of understanding with Fish and Game Department biologists for oil spill cleanup should be considered.

RES 03

CONSOLIDATE WASTE MANAGEMENT PROGRAMS

ISSUE

California's programs aimed at reducing disposal of solid waste in landfills are fragmented among four organizations, which inhibits California's ability to create a comprehensive waste management program.

SOLUTIONS

- *Consolidate the state's solid and hazardous waste management programs to form a single Waste Management Program located in Cal-EPA or its successor.*

PUBLIC COMMENT

14 comments were received for this recommendation. 7 comments expressed support. 6 comments expressed opposition. 1 comment was neutral.

Pros

- This proposal will enable those who handle waste and ensure its proper disposal with a single authority, instead of a fragmented state structure that blurs the lines of distinction for various functions—water quality, toxic materials, and recycling programs for hazardous waste. Combining these functional areas could produce the efficiency and coordination that are lacking in the current fragmented structure.
- Waste handling (whether it is toxic or solid waste) fundamentally involves the same concerns: public exposure to harmful materials; multi-media impacts (to air and water); worker safety; proper transport; proper containment; and closure requirements, among others. Combining these functions will create synergy and focused deployment of resources.

Cons

- Radiological waste and toxic waste are too different, and of too great a concern from a public health standpoint, to incorporate into a single division.
- The difference between hazardous waste and solid waste, and the need for different programs, makes the consolidation of these functions virtually impossible.

- The Waste Management Board should not be eliminated because it provides the public with critical access to the decision-making process for public health programs.

Considerations

- Further examination of the ability to transfer the functions in the radiological health branch at the Department of Health Services should be undertaken.
- Clarification is necessary so that the public understands whether the waste discharge requirements will continue to be the responsibility of a proposed Water Quality Division or a responsibility of the proposed Waste Management Division.
- The recommendation that the board structure for this function be retained, but modified (creating a full-time chair and a part-time board), should be considered.

RES 04

CONSOLIDATE POLLUTION PREVENTION PROGRAMS

ISSUE

California's efforts to prevent pollution are split among three separate programs, which unnecessarily limits the effectiveness of pollution prevention efforts statewide.

SOLUTIONS

- *Consolidate the state's recycling and pollution prevention programs into one Pollution Prevention and Recycling program located within the California Environmental Protection Agency, or its successor.*
-

PUBLIC COMMENT

12 comments were received for this recommendation. 4 comments expressed support. 4 comments expressed opposition. 4 comments were neutral.

Pros

- A consolidated pollution prevention program will focus the state on this important aspect of environmental protection—the “reduce” in reduce, reuse and recycle—which will help to eliminate pollution by preventing the circumstances that lead to pollution in the first place.

- The state's lack of emphasis on pollution prevention stems from the fact that it has created single-issue programs (recycling for bottles and cans housed at the Department of Conservation; recycling for oil, tires and e-waste at the Waste Management Board, etc.). A single program will eliminate duplicative outreach, education, and public relations campaign efforts. These efforts are smaller and less effective because resources are split between them.

Cons

- Some of the pollution prevention programs slated for consolidation in this division are funded by fees. Those programs must remain separate to maintain the integrity of the nexus between the fee and its use.
- These programs each have their own constituency, markets, and expert staff. For example, pollution prevention focuses on business processes and tire recycling is a specialized niche with specialized strategies. The recommended single program would most likely continue to operate as several separate programs because the programs are not amenable to merger.
- Pollution prevention should actually be incorporated into each program area, or be an agency-wide program that is incorporated into each program, not a stand-alone program.

Considerations

- Revenue generated for each of the programs is derived from a fee; a fee must have a nexus related to its expenditure. These funds will have to be segregated and accounted for carefully unless there is agreement that some funds can be used for common purposes (e.g. administrative costs).
- The merger of programs must not undermine the success of existing efforts.
- The expertise required to administer each program cannot be lost with the merger.

RES 05

CONSOLIDATE PEST CONTROL LICENSING AND REGULATORY PROGRAMS

ISSUE

California provides two separate oversight programs for pesticide applications—one for outdoor, agricultural applicators and one for residential applicators—creating an inefficient division of the same basic function.

SOLUTIONS

- *Eliminate the Structural Pest Control Board and transfer license functions and oversight responsibilities for structural pest control businesses to the Department of Pesticide Regulation within the California Environmental Protection Agency, or its successor.*
-

PUBLIC COMMENT

13 comments were received for this recommendation. 8 comments expressed support. 5 comments expressed opposition.

Pros

- For decades, the state has allowed two mature programs, which perform essentially the same function, to operate side by side because one focuses on indoor, structural application and the other focuses on outdoor applications. Given the similarities in these programs, the state could realize efficiencies by merging the programs. Consumers would also benefit from a more robust program.

Cons

- The functions served by both programs are distinct. One program focuses on consumer complaints mostly related to whether the pesticide applicator did an effective job and eradicated the pest, while the other focuses on whether the applicator applied pesticides in a way that did not cause public health or environmental damage. This distinction makes the programs incongruous.

Considerations

- The consumer complaint function for structural pest control application must be served in the merged division.

RES 06

CONSOLIDATE FUNDING PROGRAMS FOR CLEAN WATER INFRASTRUCTURE

ISSUE

California divides responsibility for seeking federal clean water funding between two agencies that, operating separately, secure funds at a rate below the national average, despite California's size and its demonstrable needs.

SOLUTIONS

- *Consolidate the Revolving Fund at the California State Water Resources Control Board and the Drinking Water Fund at the Department of Health Services into a single office within the California Environmental Protection Agency, or its successor.*
- *Direct the office to develop a technology plan by January 2006 to streamline loan processing and financial management to increase the productivity of staff, and fund the technology plan with net savings.*

PUBLIC COMMENT

8 comments were received for this recommendation. 4 comments expressed support. 2 comments expressed opposition. 2 comments were neutral.

Pros

- Empirical evidence in other states indicates that those that administer clean drinking water funds and funds for upgrading wastewater treatment facilities in a single office are better at securing a larger share of federal funds and that these states do a better job of leveraging the funds to support more projects.
- A single administrative unit removes duplicative efforts and cuts costs, allowing more funds to be put into actual projects.

Cons

- The nature of these funds is so different, evidenced by the federal government's creation of separate acts (the Clean Water Act and the Safe Drinking Water Act), that they should not be merged because the temptation to commingle funds could be too great.

Considerations

- The public should be given assurances that with a single office administering these funds, that the funds would still be segregated for accounting purposes; that the funds would not be commingled; that resources from one fund would be used to backfill a shortage in the other fund; and that prioritization of project funding would be accomplished separately by program staff and not by the staff in this office.

RES 07

REDUCE OVERHEAD COSTS OF THE CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

ISSUE

Duplicative, overlapping and costly administrative services functions are being performed separately at all departments within the California Environmental Protection Agency.

SOLUTIONS

- *The California Environmental Protection Agency, or its successor, should propose a consolidation plan for its six divisions of administrative services into one administrative services office located within the Office of the Secretary.*
-

PUBLIC COMMENT

10 comments were received for this recommendation. 5 comments expressed support. 2 comments expressed opposition. 3 comments were neutral.

Pros

- Combining administrative services at the agency level will eliminate the need for identical, duplicative personnel, budgeting, and other functions to occur at the six individual constituent departments at Cal-EPA. This consolidation could produce savings and efficiencies that would allow more resources to be devoted to programs and result in better services to the agency.
- Consolidated services will provide the Cal-EPA Secretary with a mechanism to influence programs and deploy resources to environmental programs so that these programs are more comprehensive and cohesive.

Cons

- Self-contained, decentralized services are more accessible to constituent departments and so they serve the needs of that individual department better.
- Legal functions should not be combined in a single office. There is too much specialization in functional areas (e.g. water, air, and superfund) that this specialization creates a need and justification for maintaining separate legal offices.
- This recommendation will lead to layoffs, which may have negative economic consequences.

Considerations

- Services in a single administrative office will still need to be tailored to meet the needs of the individual departments (e.g. for job classifications and legal services, among others).
- Maintaining separate legal offices should be considered.

RES 08

CONSOLIDATE THE STATE'S GEOLOGIC PROGRAMS

ISSUE

State oversight, regulation and licensing for earthquake safety and geological services is fragmented and duplicated by two independent boards, one commission and one department.

SOLUTIONS

- *Eliminate the Board for Geologists and Geophysicists and move its functions into the State Mining and Geology Board.*

PUBLIC COMMENT

4 comments were received for this recommendation. 1 comment expressed support. 2 comments expressed opposition. 1 comment was neutral.

Pros

- Cost savings could be realized with the proposed merger. These boards have overlapping jurisdiction and compatible functions that focus on similar missions and the same constituency (geologists and geophysicists).

- Merger of these two boards will create a one-stop shop for the public on these issues.

Cons

- The boards serve fundamentally different purposes. The Board of Geologists and Geophysicists licenses, regulates, and disciplines geologists and geophysicists who work on residential and commercial projects. The Mining and Geology Board is focused on policy and regulatory functions related to seismology and mining.

Considerations

- During implementation, the functions of oversight for mining operations and residential or commercial projects must be blended so that there is a single enforcement mechanism that does not ignore either oversight responsibility.

RES 09

CENTRALIZE CALIFORNIA HERITAGE PROGRAMS

ISSUE

Art, history, and culture functions pursued by the state are fragmented among state agencies and state elective officeholders, resulting in duplication, confusion, inefficiency, and counterproductive competition.

SOLUTIONS

- Consolidate selected cultural heritage programs in the Department of Parks and Recreation (DPR), or its successor, or in the Office of the Secretary of State. Legislation should designate DPR, or its successor, as California's history, culture and arts agency.
- Create a nonprofit public corporation under state control to provide a more effective, lower cost/higher revenue mechanism for funding and operating museums, historic sites, and programs.

PUBLIC COMMENT

15 comments were received for this recommendation. 3 comments expressed support. 4 comments expressed opposition. 8 comments were neutral.

RES 09

"California cannot stand to lose either [the Office of Historic Preservation or the State Historical Resources Commission]...leaders in historic preservation, and stewards of the state's rich array of special historic and archaeological places. Both could continue and expand their current functions in State Parks, and constitute a vital cornerstone in the new consolidated heritage department."

Anthea M. Hartig
Chairperson
State Historical Resources
Commission
Written Testimony

Pros

- Cultural and historical resource protection efforts in California are fragmented. This fragmentation undermines the effectiveness of state efforts and leads to uncoordinated, hit-and-miss approaches that ignore the importance of these resources to future generations and to the economy.

Cons

- The specific proposal misses the mark by eliminating critical state entities, appearing to misunderstand the specific nature and functions of some entities.
- The State Historical Resources Commission should not be eliminated. It fulfills a vital federally required function—project review for federally funded infrastructure projects to determine the impact of those projects on historical resources. If this function is not performed, the state will be ineligible for the federal funding.
- The existence of the State Historical Resources Commission entitles California to about \$1 million in federal funding annually, which funds the work of the Office of Historic Preservation.
- The State Historical Resources Commission is the body that determines whether applications for properties to be listed on the National Historical Registry should be approved. This approval is a fundamental function that preserves historical resources, monuments and places of interest.
- The California Room and its collection of books, photographs, and other documents is a library function that the State Archives is not equipped to perform. Removing it from the State Library will mean that inquiries from the Legislature and the public will be responded to in an incomplete manner.

Considerations

- The state should consider an alternative model, a Cultural Affairs Division, such as the ones that are already in place in New Mexico and Nevada, among other states.
- Consideration should be given to a different organizational model that separates the historical and cultural functions into a distinct unit that would include the California Endowment, the California Arts Council, the Native American Heritage Commission, the State Historical Resources Commission, elements of the State Park system that are cultural or historical in nature, the State Library, and state museums

(including the Science Center and African-American museum). This unit could remain within a Parks, History and Culture division or become a separate Cultural Affairs division within the proposed Department of Natural Resources.

RES 10

CONSOLIDATE STATE FIELD AND REGIONAL OFFICES

ISSUE

Scattered field offices for state agencies are inefficient and result in unnecessary costs.

SOLUTIONS

- *Evaluate the current programmatic needs as they relate to the number and location of field offices throughout the state and seek to align those offices more closely to the economic regions of the state.*
 - *Consolidate Sacramento-based operations whenever financially feasible. Deliver by July 1, 2005 a plan to achieve such consolidation. Such plans should highlight at a minimum: program efficiencies, service-level improvements and cost savings.*
 - *Use existing state agencies to assist in determining how best to consolidate support functions such as clerical, administrative, information technology, and business services to ensure program objectives are satisfied in the most efficient manner possible.*
-

PUBLIC COMMENT

20 comments were received for this recommendation. 6 comments expressed support. 9 comments expressed opposition. 5 comments were neutral.

Pros

- The recommendation could reduce overhead costs, saving state resources that can be used for program purposes.
- The public can benefit from “one-stop shopping” when field offices are co-located.

Cons

- The recommendation to locate field offices based on economic zones ignores that the constituency are served by current offices, which are organized by regions that do not coincide with an economic zone. For example, regional water board offices are located according to water basins.

- Reconfiguring field offices can displace staff, which may create logistical and personnel issues.
- Loss of a field office can mean a loss of public access to convenient state services.

Considerations

- Jurisdictional boundaries must be taken into account in any survey of field offices and plans for consolidation, so that the office serves the affected constituency.
- Geographical and population dispersal must be considered in consolidation plans, especially in rural areas, to ensure convenient public access to state services.
- Local and federal field office location should be considered in the planning process.
- Public access to state services should be a primary consideration, equal in weight to upfront and long-term costs.

RES 11

CONSOLIDATE REAL ESTATE SERVICES INTO ONE ORGANIZATION

ISSUE

Duplicative real estate management functions for recreation, open space and wildlife habitat are being performed at separate agencies, increasing costs unnecessarily.

SOLUTIONS

- *Consolidate the real estate services staff of the Land Management Division, the Office of Acquisition & Real Property Services, and the Wildlife Conservation Board into one section within the Resources Agency or its successor.*

PUBLIC COMMENT

13 comments were received for this recommendation. 4 comments expressed support. 4 comments expressed opposition. 5 comments were neutral.

Pros

- Combining real estate services may produce efficiencies and savings that could be used for program purposes.

- Combining these personnel can provide synergy to these efforts as personnel share expertise for a similar discipline in a single unit.

Cons

- The functions are too distinct for this merger to work.
- Staff expertise must be retained for each program area, as managing a park, a refuge, and open space are all different functions.
- There is a conflict between infrastructure proposals to transfer oversight of sovereign, school lands to the proposed department and a specific recommendation to consolidate asset management functions within that department.

Considerations

- The oversight for sovereign, school lands is primarily a resource management function that may appropriately reside with the Natural Resources Department, instead of the proposed Infrastructure Department.
- Expert personnel and the distinctive disciplines required to support specific missions should be retained.
- Clarification is needed to specify where the proposal to consolidate asset management functions within the proposed Infrastructure Department applies to these resource management efforts.

RES 12

RESTRUCTURE FUNDING AND GOVERNANCE FOR CERTAIN LAND CONSERVANCIES

ISSUE

Most state conservancies are largely regional entities that are not necessarily formed with or focused on a statewide perspective.

SOLUTIONS

- *Devolve five conservancies of regional or local interest (San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, San Joaquin River Conservancy, Baldwin Hills Conservancy, San Diego River Conservancy, and Coachella Valley Mountains Conservancy) into local joint powers authorities.*
- *Develop a statewide master plan, including strategic guidelines, for land acquisition and resource protection for habitat and recreational purposes.*

RES 12

"Dear Governor Schwarzenegger, I am writing to you to ask you to reject the proposal to eliminate the Baldwin Hills Conservancy. In our neighborhood (South L.A.) a lot of people live in very little spaces, and thus we need—and we deserve—parks and green areas. I beg you to please reject the proposal so that we can preserve the few beautiful spaces in our section of the city."

Viina M. Metoyer
Written Testimony

PUBLIC COMMENT

119 comments were received for this recommendation. 6 comments expressed support. 110 comments expressed opposition. 3 comments were neutral.

Pros

- Devolving conservancies to the local level could provide for local or regional control of local or regional efforts.
- Creation of a statewide plan could help ensure that the state coordinates its land acquisition efforts, which in a worst-case scenario may be driven by “opportunity” buying, and at the very least cannot be measured against outcomes articulated in a statewide plan that includes priority needs.

Cons

- Local conservancies all provide statewide benefits. For example, the San Joaquin River Conservancy was recently the subject of a court decision that speaks primarily to habitat needs. The Baldwin Hills Conservancy will become a park that rivals nationally known Central Park and serve an underserved community that is park poor. The Coachella Mountains Conservancy is part of the state’s NCCP program.
- Conservancies epitomize the best in state-local partnerships and coordinate with other state agencies with similar functions and interests.
- Conservancies may not survive without direct, annual state support for ongoing operating expenses.
- Conservancies should not lose access to voter-approved bond funding earmarked specifically for the use by specific conservancies.

Considerations

- The public would benefit from clarification that the proposal does not preclude conservancy access to bond funding and other state appropriations.
- The development of a statewide plan, which received general support, could address the problem (or perception) that conservancies are serving primarily local interests.

RES 13

CONSOLIDATE RESOURCE LAND ACQUISITION PROCESSES

ISSUE

Duplicative and flawed land acquisition processes used to acquire properties of cultural, natural or recreational significance inflates purchase prices and inhibits successful acquisition.

SOLUTIONS

- *Reconstitute the Wildlife Conservation Board as the “Resource Conservation Board” and add the Resource Agency Secretary, the Director of Conservation and the Director of Parks and Recreation, or their successors, as board members. Grant this new board broad power to approve and fund all resource-related acquisitions. Transfer the authority over resource acquisitions from the Public Works Board to the Resource Conservation Board.*
 - *Adopt value pricing policies to introduce competition among potential resource acquisition opportunities and focus on purchasing appropriate properties with the greatest discount over market value or estimated market value.*
 - *Amend the State Administrative Manual to allow commencement of negotiations for resource lands prior to final appraisal approval and allow the appraisal review function of the Department of General Services to be performed by an independent appraisal expert on behalf of the Resources Conservation Board or Resources Agency.*
-

PUBLIC COMMENT

20 comments were received for this recommendation. 8 comments expressed support. 4 comments expressed opposition. 8 comments were neutral.

Pros

- This proposal correctly identifies that overlapping jurisdictions and process impediments to effective and cost-effective land acquisition efforts would be reformed by the implementation of this recommendation.

Cons

- Value pricing is an inappropriate mechanism for resource land acquisition because market values do not reflect the true value of land for resource conservation purposes.

- Critical expertise (necessary for appropriate acquisition values to be applied to park, refuge and habitat acquisition) could be lost if these functions are merged.
- This proposal is in conflict with Infrastructure proposals to consolidate asset management functions under that proposed department.

Considerations

- The recommendation could be clarified to better describe the intentions to keep resource land acquisition functions under the auspices of the proposed Natural Resources Department, as opposed to merging these functions into an Infrastructure Department charged with asset management.
- Value pricing might be used as a criterion or tool to assist in making land acquisition decisions, but the resource value of land should also be a factor.
- Expert staff should be retained following the proposed consolidation.

RES 14

STREAMLINE PERMITTING TO REDUCE PETROLEUM INFRASTRUCTURE BOTTLENECKS

ISSUE

Multi-jurisdictional and complex permitting processes are inhibiting critical petroleum infrastructure expansion, restricting fuel supply and pushing up prices.

SOLUTIONS

- *California should identify burdensome regulations preventing the expansion or new construction of oil refineries, and direct the Ombudsman's Office at the California Air Resources Board, or its successor, within the next 90 days to examine existing practices at air districts that represent best management practices for permitting and to recommend adopting those practices and any other independent suggestions statewide.*
- *Designate the California Energy Commission, or its successor, as the state entity responsible for administering the Permit Streamlining Act for petroleum infrastructure upgrades and providing it the authority to implement provisions of the act as necessary.*

PUBLIC COMMENT

13 comments were received for this recommendation. 4 comments expressed support. 7 comments expressed opposition. 2 comments were neutral.

Pros

- Streamlining the permitting process for refinery and petroleum infrastructure projects is one step the state can take to stem the decline in refinery capacity, which seems to be influencing California fuel prices that are perennially and significantly higher than the rest of the nation.
- Successful efforts at permit streamlining that do not undermine environmental protection may provide a model that can be applied to other state programs.

Cons

- Changes to the permitting process will undermine environmental protection.
- Changes to the permitting process could result in less public input into the process which could result in impacts that affect public health directly.
- This approach is unjustified because local permitting is not a problem; and this proposal undermines local control.
- The basis of the recommendation appears to be one-sided and biased. Therefore, the recommendation is unwarranted.
- The recommendation violates principles of environmental justice.

Considerations

- The public might benefit from clarification about the recommendation's impact on local permitting authority.
- To the extent that public criticism addresses existing processes (e.g. the permit-writing program now in place at a regional air district), creation of the Best Management Practices in these recommendations should include a thorough understanding of the local programs to ensure that they operate appropriately and not in a way that compromises public health.
- To the extent that federal and state representatives (e.g. Senator Dianne Feinstein and Senator Tom Torlakson) have expressed support for this concept, they should be contacted to incorporate those views into the final proposal.

RES 15

USE TECHNOLOGY TO STREAMLINE THE STATE-LEVEL ENVIRONMENTAL REVIEW PROCESS

ISSUE

California's process for reviewing environmental impact documents and posting public notice about the availability of these documents for public comment is paper intensive and cumbersome.

SOLUTIONS

- *The State Clearinghouse and Teale Data Center should implement the CEQAnet II application at the State Clearinghouse.*
- *The State Clearinghouse and Teale Data Center should create a web portal that incorporates CEQAnet II and an electronic document management system to streamline the state-level environmental review process.*

PUBLIC COMMENT

12 comments were received for this recommendation. 10 comments expressed support. No comments expressed opposition. 2 comments were neutral.

Pros

- Automating this process is universally acknowledged to be beneficial to all parties and should improve the efficiency and effectiveness of the process, including enhancing public access and understanding.

Cons

- No testimony submitted.

Considerations

- The implementation of this proposal must take account of the need to restrict access to confidential data.

RES 16

STREAMLINE THE DEPARTMENT OF PESTICIDE REGULATION'S REGISTRATION PROCESS

ISSUE

Certain aspects of California's pesticide registration process are unnecessarily burdensome and duplicative, providing little additional public health or environmental benefit.

SOLUTIONS

- *Repeal Section 12811.5 of the Food and Agriculture Code, which prohibits the California Department of Pesticide Regulation (DPR) from considering data in support of a registration unless the registrant has received written permission from the original data submitter.*
 - *Amend DPR regulations regarding the review of efficacy data to make these regulations consistent with United States Environmental Protection Agency requirements. (U.S. EPA requires applicants to assure themselves through testing that their products are efficacious, but it does not typically require applicants to submit their efficacy data when registering pesticides.)*
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PUBLIC COMMENT

14 comments were received for this recommendation. 4 comments expressed support. 5 comments expressed opposition. 5 comments were neutral.

Pros

- Eliminating the two process steps identified by CPR could significantly streamline pesticide registration by reducing staff workload without undermining public health protection.
- This recommendation may assist DPR staff in addressing a registration backlog exceeding 600 applications.

Cons

- There was disagreement among the public about which steps in the process are valuable and which can be eliminated. Some comments favored conforming to federal law on a 15-year requirement for Letters of Authorization because it may bring to market safer pesticides sooner. However, they also viewed the efficacy testing as a way to avoid ineffective products that cause "needless pollution."

- Other comments favored eliminating efficacy testing, contending that DPR has the statutory authority to do so. However, they argued that the permanent requirement for Letters of Authorization is necessary to help pesticide manufacturers defray the costs of complying with California's duplicative registration process.
- Current regulations regarding California's requirement for Letters of Authorization is the subject of litigation.

Considerations

- Current regulations regarding California's requirement for Letters of Authorization is the subject of litigation.
- While the need to streamline the pesticide registration process seems plausible based on the department's backlog, there is disagreement on the specific steps to take and what the ramifications of taking those steps might be. This situation may require that the subject of pesticide registration streamlining be a topic of further discussion and negotiations.

RES 17

"The Surface Water Ambient Monitoring Program Roundtable agrees strongly with the recommendations stated in RES 17... We urge the Governor to implement this via Executive Order as soon as possible, as time and cost savings would begin immediately and would be substantial."

Valerie M. Connor
Surface Water Ambient
Monitoring Program (SWAMP)
Coordinator, SWAMP Monitoring
and Assessment Roundtable
Written Testimony

RES 17

SIMPLIFY PROCESS FOR INTERAGENCY WORK AUTHORIZATIONS

ISSUE

State agencies are expending resources, particularly personnel and legal resources to create formal written agreements to work together.

SOLUTIONS

- *Streamline the state's internal contracting processes and direct the State and Consumer Services Agency, or its successor, to simplify the interagency contracting process.*

PUBLIC COMMENT

All 8 comments received support this recommendation. No opposing or neutral comments were received.

Pros

- A standardized interagency work agreement and elimination of the Department of General Services' contracting process will save considerable legal and upper-level management staff time that can be devoted to programs. This, in turn, could save money and increase the effectiveness and efficiency of the agency.

Cons

- No testimony submitted.

Considerations

- Part of the standardization of the interagency work agreement should include a defensible and reasonable formula for determining overhead (OE&E) costs.
- The proposal to simplify interagency agreements is laudable, but this recommendation does not go far enough and could be improved by addressing another, related issue—the extremely high overhead that is typically built into interagency agreements/contracts.

RES 18

ESTABLISH A RISK-BASED, MULTI-MEDIA, ENVIRONMENTAL COMPLIANCE ASSURANCE PROGRAM

ISSUE

Lack of risk-based, prioritized inspection, compliance assistance and enforcement activities for environmental programs wastes resources and creates an uneven regulatory climate across the state and environmental programs.

SOLUTIONS

- *Develop a risk-based, multi-media inspection protocol by July 1, 2005 to be implemented by January 1, 2006.*
 - *Develop an implementation plan to create a multimedia environmental compliance assurance program by July 1, 2005 to be implemented by January 1, 2006.*
 - *Develop an enforcement protocol, which standardizes the administrative, civil, and criminal enforcement processes to be used in all environmental programs.*
 - *Develop an enforcement appeals process to be used by all environmental programs.*
 - *Launch several pilot programs utilizing the Environmental Results Program approach.*
 - *Establish contacts with other states utilizing the Environmental Results Program and with the U.S. Environmental Protection Agency to share information and pool resources for future activities.*
-

PUBLIC COMMENT

11 comments were received for this recommendation. 6 comments expressed support. 2 comments expressed opposition. 3 comments were neutral.

Pros

- Risk-based inspection protocols focus state resources on those facilities and practices that pose the greatest health risk to the public.
- Multi-media inspections are more efficient and effective. They spread scarce resources effectively and provide the greatest opportunity for uncovering problems or violations early before pollution is caused and public or environmental health is threatened.

Cons

- Depending on self-certification by businesses as an environmental strategy is an invitation to cheat at environmental regulations. This already occurs with the notice of violation process, which allows business owners to continue ignoring the rules between inspections.
- Multi-media inspections are infeasible and coordinating the schedule of inspectors for joint inspections is a logistical impossibility.
- This recommendation is anti-enforcement and should be quashed immediately.

Considerations

- Creation of a self-certification process for businesses, based on the Environmental Results program, should focus first on low-risk, small businesses.
- This program should not be viewed as a substitute for even-handed environmental enforcement.
- The state could benefit from contacting Massachusetts and other states that use this approach to find out about “lessons learned” during implementation, so that California will enhance its chances at creating a successful program.

RES 19

ENACT PENDING CEQA GUIDELINE AMENDMENTS

ISSUE

Proposed amendments to the California Environmental Quality Act guidelines were developed by the Resources Agency in August 2003. They have been on hold since.

SOLUTIONS

- *Adopt draft amendments to the pending California Environmental Quality Act guidelines.*
 - *Convene a working group of environmental law specialists, from within and outside of state government to develop further recommendations to update the guidelines.*
-

PUBLIC COMMENT

21 comments were received for this recommendation. 8 comments expressed support. 10 comments expressed opposition. 3 comments were neutral.

Pros

- The CEQA guideline update will provide clarity and streamline the process.

Cons

- The guidelines have raised concerns that deserve to be aired publicly.
- Adopting the guidelines immediately will violate the Administrative Procedures Act requirement for public participation in the decision-making process.

Considerations

- Public comments on this recommendation are moot. During the process of completing the CPR report, releasing it to the public, and conducting public hearings, the public review process was completed and the guidelines approved. The guidelines became effective September 17, 2004.

RES 20

CONSOLIDATE RESPONSIBILITY FOR HAZARDOUS MATERIALS AND HAZARDOUS WASTE UNDER ONE AGENCY

ISSUE

Divided responsibility for oversight of hazardous materials programs is inefficient.

SOLUTIONS

- *Amend appropriate sections of Chapter 6.95 of the California Health and Safety Code to transfer the authority and responsibility for the Business Plan and the Accidental Release Prevention programs from the Office of Emergency Services to the California Environmental Protection Agency, or its successor, including making conforming budgetary changes.*

PUBLIC COMMENT

7 comments were received for this recommendation. 3 comments expressed support. 2 comments expressed opposition. 2 comments were neutral.

Pros

- Developing an accidental release plan and a business plan for handling hazardous materials is fundamentally a regulatory and inspection/enforcement function; and the California Environmental Protection Agency (Cal-EPA) performs those core functions.
- Consolidating all the functions of this program under a single agency (Cal-EPA) could assist local government partners by creating a single point of contact with which to communicate and cooperate.
- Cal-EPA could administer this program effectively because it has the necessary expertise on the environmental and public health consequences of these substances.

Cons

- Cal-EPA may not have emergency response or incident coordination capabilities. These responsibilities reside with the Office of Emergency Services (OES) and its local government partners (primarily fire departments), which is the purpose for this program.
- Fire departments are the first responders to accidental spills or releases and those local entities are in partnership with OES.

Considerations

- Regardless of the ultimate disposition of this program, it is clear that these agencies will have to cooperate to ensure appropriate handling and treatment and that appropriate plans will have to exist to respond in the event of an accidental release.

RES 21

IMPROVE THE TIMBER HARVEST PLAN DEVELOPMENT AND REVIEW PROCESS

ISSUE

The process used to approve or deny timber harvesting on private lands is fragmented, acrimonious and inefficient.

SOLUTIONS

- *Amend the Z'Berg Nejedly Forest Practice Act of 1973 (Public Resources Code Section 4511 et seq.) to exempt timber harvest operations deemed to have "low consequence."*
 - *Extend the life of Timber Harvest Plans in recognition of the need to monitor operations over time and to allow a greater opportunity for the incorporation of adaptive management techniques.*
 - *Consider accepting and approving Timber Harvest Plans drafted pursuant to a set of independently developed, environmental forestry standards; groups like the American Tree Farm System and the Sustainable Forest Initiative can be looked to as examples.*
 - *Establish a new agreement between the California Department of Forestry, or its successor, and the State Water Quality Control Board to facilitate multi-agency review and incorporate adaptive management techniques.*
-

PUBLIC COMMENT

29 comments were received for this recommendation. 6 comments expressed support. 20 comments expressed opposition. 3 comments were neutral.

Pros

- The recommendations are an attempt to streamline the regulatory process and encourage interagency cooperation. The current process is fragmented and leads to costly delays that has led to the decline in California's timber industry.

- Something must be done to coordinate government oversight and review, by vesting authority for approval in a single agency or developing interagency memoranda of understanding.
- Adaptive management techniques can address uncertainties by allowing for modifications to mitigation measures if monitoring data shows there is a need for changes to the timber harvesting plan.

Cons

- This recommendation appears biased in favor of industry. As a result, the recommendations are suspect.
- Some of the proposal's concepts, either the supporting analysis or the definition, are too vague and require definition, especially the concepts of adaptive management and third-party certification.
- Timber projects of 10,000 acres could have potentially devastating environmental impacts and should not be exempt from review.
- The viability of third-party certification standards for timber harvest plans depends on the standards. The standards identified in the recommendation are inappropriate and should never be used as a substitute for state oversight and authority.
- Separate authority for oversight of timber harvest review plans must be maintained by the department of forestry and the regional water boards.

Considerations

- The goal of streamlining the state's process seems to be worth pursuing based on the research and public comments about the fragmented nature of the process.
- In order for the process to be improved, there will need to be significant understanding of the mechanisms of adaptive management, agreement on monitoring protocols, and consensus on what constitutes high-priority and low-consequence operations so that agencies can focus attention on those timber harvest proposals that deserve the greatest scrutiny.
- Interagency cooperative agreements that existed in the past should be evaluated in light of separate authorities that exist explicitly in statute for review (and approval) of timber harvesting plans.

RES 22

PROMOTE SMART GROWTH THROUGH LAND RECYCLING

ISSUE

The state's toxic waste site cleanup program for urban properties is ineffective due to a lack of financing options, a faulty inventory of sites and heavy-handed regulation.

SOLUTIONS

- *Apply for U.S. EPA Revolving Loan Fund Grants collaboratively with the cities of Sacramento and Los Angeles, and the council of government for the San Francisco Bay region, and San Diego Regional Area Council of Governments to add \$5 million to the existing Cal ReUSE program in Fiscal Year 2005–2006.*
- *Transfer \$13 million of unexpended, unencumbered recycling fees from the Litter Reduction and Bottle and Can Recycling program to the Pollution Control Finance Authority to provide a 20 percent guarantee on loans for brownfield properties and \$2 million to provide subsidies as part of the Financial Assurances and Insurance for Redevelopment (FAIR) environmental insurance program.*
- *Transfer \$5 million in surplus funds from used oil recycling fees to clean up hazardous waste sites that are contaminated from petroleum releases.*
- *Partner with local governments that have successfully used Mello-Roos tax dollars and tax increment financing to create local revolving loan funds for property acquisition and clean up, offering training in FY 2005–2006, for other cities that have not used this approach.*
- *Establish a tax incentive program for brownfields redevelopment that allows for cost recovery of 75 percent of the cleanup costs through tax revenue generated as a result of increased property values.*
- *Modify the Underground Storage Tank Cleanup Fund criteria to make redevelopment a high priority for receiving reimbursement, and reimburse only risk-based cleanup based on levels appropriate for the anticipated land use and for semi-annual groundwater monitoring beginning FY 2005–2006.*
- *Allow public and private third-party entities to apply for reimbursement of cleanup costs from the Underground Storage Tank Cleanup Fund.*
- *Expand the Clean Water Revolving Loan Program in FY 2005–2006, to include brownfields redevelopment, using the California Environmental and Redevelopment Fund (CERF) as the financial institution for linked deposit loans.*
- *Amend Senate Bill 493 (which was abandoned in favor of an Assembly Bill on this issue) to provide groundwater cleanup liability relief for developers who acquire development rights through long-term ground leases with the ground lease payments used as an income stream to pay for groundwater cleanup without impacting the developer's financial return on the development.*

- *Adopt the U.S. EPA's definition of a brownfield by July 2004 to create an accurate database inventory of contaminated sites.*
- *Develop an inventory and marketing strategy for reuse of contaminated properties by July 2004.*
- *Use the \$205,000 grant it received from the U.S. EPA to upgrade its brownfields data management system to fund a pilot project with Sacramento Area Council of Government (SACOG), Sacramento County, and the city of Sacramento leveraging already available software, I-PLACE3S, to identify and catalog site data from Cal-EPA with current parcel data in Sacramento County in Fiscal Year 2004-2005.*
- *Consolidate cleanup functions.*
- *Use the California Unified Program Assistance (CUPA) and Local Oversight Programs (LOP) to allow capable and willing local agencies to make risk decisions based on review of a properly prepared site assessment. Cal-EPA should retain an audit function for those CUPAs and LOPs that participate in these activities starting in Fiscal Year 2005-2006.*

PUBLIC COMMENT

14 comments were received for this recommendation. 6 comments expressed support. 4 comments expressed opposition. 4 comments were neutral.

Pros

- This ambitious and comprehensive recommendation provides policy-makers with a wide array of policy choices that could be employed to expedite cleanup of contaminated urban properties.
- Achieving the goal of expediting cleanups and providing incentives would help California make the most efficient use of land resources.
- Cleanup of urban properties relieves pressure to develop pristine or agricultural lands and improves the quality of life in inner-city neighborhoods.

Cons

- The proposal to use risk-based cleanup standards tied to future land use may not always be appropriate.
- The use of fees earmarked for other purposes is a problematic proposal, especially the bottle and can recycling fund and the Underground Storage Tank Cleanup fund.

- This proposal may extend cleanup and oversight authority for contaminated properties to unqualified local agencies.
- The liability issues raised in this recommendation were addressed in a separate piece of legislation signed by the Governor.

Considerations

- Specify those conditions when risk-based cleanup standards based on future land use is inappropriate (e.g. the presence of an underground aquifer, especially one that is a drinking water source).
- Exclude some funding sources suggested unless a clear nexus can be established for a one-time use.
- Ensure the state retains oversight for cleanup operations and final authority for certifying that cleanup standards have been met.

RES 23

ELIMINATE THE NEED FOR THE CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD TO APPROVE SOLID WASTE FACILITY PERMITS

ISSUE

The state performs a duplicative, unnecessary role in permitting of solid waste facilities.

SOLUTIONS

- *Eliminate the requirement for the California Integrated Waste Management Board to concur in the issuance of solid waste facility permits.*
-

PUBLIC COMMENT

8 comments were received for this recommendation. 3 comments expressed support. 3 comments expressed opposition. 2 comments were neutral.

Pros

- State concurrence in solid waste permitting does not provide any new environmental review or financial assurance evaluation on the question of whether a permit should be approved; this authority is merely a procedural step with little substantive value and should be eliminated.

- Not a single request for state concurrence in a locally approved permit—out of hundreds received—has been rejected; this suggests that this duplicative process and the need for this state-level authority has been proven to be unnecessary and should be eliminated.
- Local authorities, who are directly accountable to voters and whose decisions affect the lives of their neighbors, have proven to be more than capable of prudent exercise of this authority.

Cons

- The Waste Board's oversight authority may be a powerful deterrent, and ultimately a tool for corrective action, for poor local decisions.
- Insufficient financial assurance for closure of landfills warrants the Board's continued involvement in local permitting.
- The Board's limited authority to reject local permitting approval and the requirement for the Board to act within 60 days does not create an impediment to the process.

Considerations

- The state may wish to put in place an audit function or review authority in place of concurrence to monitor the local process.
- The Administration may wish to look in-depth at the issue of adequacy of financial assurances required for closure of landfills.

RES 24

ABOLISH THE REGISTERED ENVIRONMENTAL ASSESSOR PROGRAM

ISSUE

The Registered Environmental Assessor program is a largely clerical program that provides little public value or environmental protection.

SOLUTIONS

- *Abolish the Registered Environmental Assessor program by amending Health and Safety Code Sections 25570-25570.4.*

PUBLIC COMMENT

8 comments were received for this recommendation. 1 comment expressed support. 5 comments expressed opposition. 2 comments were neutral.

Pros

- Specific discussion in support of this recommendation was not received.

Cons

- The intent of this program is laudable—to provide the public with a source of knowledgeable and qualified professionals to perform environmental assessments and to plan environmental remediation. The program should be fixed, not abandoned.
- Geologists and engineers, who are competitors in this field, are not qualified to do the work, but there are plenty of scientists not certified as geologists or engineers who are qualified to perform environmental assessments.

Considerations

- With additional staff resources this program might provide an increased level of public service and access to environmental assessors.

RES 25

STREAMLINE AND ELIMINATE DUPLICATIVE REPORTING FOR THE ENVIRONMENTAL PROTECTION AND RESOURCES AGENCIES

ISSUE

Some mandated environmental reporting requirements are duplicative, others are outdated, and compliance is inefficient.

SOLUTIONS

- *Allow state agencies to follow the guidelines to be developed by the California Integrated Waste Management Board for converting reports and other state documents from paper to electronic format.*
 - *Repeal the listed reports and any others, which are duplicative or unnecessary.*
-

PUBLIC COMMENT

12 comments were received for this recommendation. 4 comments expressed support. 4 comments expressed opposition. 4 comments were neutral.

Pros

- Unnecessary reporting requirements should be eliminated to use state resources for program efforts.
- Eliminating reporting requirements has positive environmental benefits by conserving resources used in production and distribution.

Cons

- Eliminating reports may close off public access to information about how agencies are performing, exactly the kind of accountability tool needed.

Considerations

- This issue is largely moot; the Legislature's actions on AB 2701 have addressed the issue.

RES 26

IMPROVING DATABASE MANAGEMENT AND e-GOVERNMENT SYSTEMS

ISSUE

Information technology used to improve public access to information and as a tool to coordinate government activities is uneven or lacking among environmental programs.

SOLUTIONS

- *Consolidate all information technology entities for environmental and resource programs into a centralized information technology program for each agency.*
- *Develop a common agency-wide information technology plan by July 1, 2005 that provides the strategies for development of a consolidated and coordinated unified information technology program.*
- *Develop by July 1, 2005 information technology contracts and master service agreements for hardware and software.*
- *Develop a process to continually compare the cost of contracting out for information technology services with the cost of conducting the activity in-house, and to contract for off-the-shelf services whenever it is economically advantageous.*
- *Develop a long-term strategic plan by July 1, 2005 to implement an agency-wide document management system, agency-wide data architecture and enterprise-wide information technology business management system encompassing all business functions, including fiscal, human resources and purchasing, and implementation of a technology refresh budget plan.*

- *Prioritize the strategic plan to develop critical information systems.*
 - *Immediately investigate the feasibility of forming a partnership with U.S. EPA for technology projects.*
-

PUBLIC COMMENT

10 comments were received for this recommendation. 9 comments expressed support. No comments expressed opposition. 1 comment was neutral.

Pros

- Centralizing and upgrading information technology systems will help state employees perform their core responsibilities more efficiently and facilitate data sharing that will increase efficiency and reduce redundant state demands for the same information from the public.
- The public should benefit from easier access to information at convenient times, even from home over the Internet.
- The Department of Fish and Game's fishing license registry system is in particular need of automation and should be a priority.

Cons

- No testimony submitted.

Considerations

- Creating a system that is publicly accessible will require diligence in handling of proprietary data and to shield the system from malicious attacks.
- Centralized computer systems may be more vulnerable to hacking or widespread failure.
- Proprietary information submitted by businesses must be protected.

RES 27

REDUCE MANDATES FOR SOLID WASTE DIVERSION REPORTING FOR RURAL COMMUNITIES

ISSUE

Costly, time-consuming reporting requirements for solid waste diversion programs divert resources from program implementation toward accounting procedures.

SOLUTIONS

- *Amend the Integrated Waste Management Act to provide more flexibility to determine rural jurisdictional compliance with mandated waste diversion goals.*

PUBLIC COMMENT

10 comments were received for this recommendation. 5 comments expressed support. 3 comments expressed opposition. 2 comments were neutral.

Pros

- Geography, dispersal of population, and limited resources make it difficult for rural counties to use this complex and strict accounting procedure and the consequences of failure are significant.
- Small counties only comprise three percent of the state's waste stream.
- Requiring counties with limited staff to exhaust those resources on activities that are not outcome related dilutes the effectiveness of the program; this recommendation reverses that phenomenon.

Cons

- Eliminating this accountability tool means the state will lack any measure to determine if the program is effective or even being implemented.
- All counties must contribute to the state's waste diversion goals.

Considerations

- The state may want to consider whether the use of state staff in a random, selective audit process can be used in conjunction with this approach to determine the effectiveness of diversion efforts.
- The state may also want to form a partnership with small, rural counties to develop best practices and to develop ways to measure the effectiveness of those practices.

RES 28

REORGANIZE THE 54 DISTRICT AGRICULTURAL ASSOCIATIONS AND THE CALIFORNIA STATE EXPOSITION AND FAIR AS PUBLIC CORPORATIONS

ISSUE

State agricultural fairs must now compete against private sector entertainment, but cannot operate like businesses because they are under state control.

SOLUTIONS

- *Amend the Food and Agricultural Code to convert the 54 district agricultural associations and Cal Expo from state entities to public corporations acting as political subdivisions of the state that are created to administer a part of the affairs of the state, similar to municipal corporations, special districts, and other local agencies and authorities.*
-

PUBLIC COMMENT

9 comments were received for this recommendation. 6 comments expressed support. 2 comments expressed opposition. 1 comment was neutral.

Pros

- This proposal makes “county fairs” truly local entities administered for local benefit.
- Fairs will be able to operate competitively as entertainment events by removing state rules and restrictions.

Cons

- Specific discussion in opposition to this recommendation was not received.

Considerations

- The state will continue to contribute funding to these efforts, but could lose its direct oversight and control.
- This proposal strikes an appropriate balance between state support and local administration in the eyes of the fair community; local support for the effort is crucial to its success.

RES 29

REORGANIZE CALIFORNIA'S COMMODITY BOARDS AS PUBLIC CORPORATIONS

ISSUE

State "sponsorship" of commodity boards is problematic because of legal challenges to the boards' authority.

SOLUTIONS

- *Amend the Food and Agricultural Code to reorganize the state's commodity boards from state entities to agricultural authorities (public corporations).*

PUBLIC COMMENT

6 comments were received for this recommendation. 2 comments expressed support. 2 comments expressed opposition. 2 comments were neutral.

Pros

- Converting commodity boards into public corporations was seen as a necessary strategy for alleviating state involvement in disputes over these boards' authority.
- In some estimation, this proposal is more indicative of an appropriate role for state government in this endeavor.

Cons

- Commodity boards provide a critical function in promotion of export capabilities for agricultural commodities.
- Government involvement in this endeavor is a necessity; changing that role will result in less effective, or even the collapse, of these successful ventures.

Considerations

- The state should make this recommendation an option not a mandate for commodity boards.

RES 30

STREAMLINE ACTIVITIES OF THE SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

ISSUE

Permitting functions performed by the Bay Conservation Development Commission (BCDC) that duplicate federal, state and local agency permitting authority delays and adds costs unnecessarily to needed maritime construction and dredging projects.

SOLUTIONS

- *Perform a review of BCDC's permitting functions for sand mining, maintenance dredging and routine repairs on docks to determine whether it has overstepped its authority.*
 - *Develop recommendations to improve the permitting processes for BCDC.*
 - *Report the recommendations for reducing the duplication and overlap of permitting functions or sand mining, maintenance dredging and routine repairs on docks, including recommendations to change existing law and regulation to reduce this duplication.*
-

PUBLIC COMMENT

45 comments were received for this recommendation. 2 comments expressed support. 43 comments expressed opposition.

Pros

- The Bay Conservation and Development Commission is charged with the difficult task of coordinating multiple local, federal and state authorities in order to issue permits for development and other activities (dredging, pier improvements, etc.); critics have charged that it has overstepped its authority by assuming the role of other agencies, which has led to delays. A performance audit would resolve this dispute.

Cons

- This proposal appears to be one-sided and biased; and the recommendations are unwarranted.
- The BCDC should not be stripped of its authority because it serves a vital function.

- The public supports the role and the performance of the Bay Conservation and Development Commission; there are no widespread concerns about this issue.
- A self-evaluation and internal review of BCDC's processes has shown it does not exceed its authority or duplicate permitting functions.
- A delay in the issuance of permits is due to staffing cuts and budget reductions, which should be restored.

Considerations

- The recommendation should clarify the impact to BCDC's authority.
- A formal performance audit may not be warranted.

RES 31

ESTABLISH STATE MITIGATION PROPERTY STANDARDS AND REGISTRY

ISSUE

Federal and state laws require developers to dedicate undeveloped land to mitigate environmental damage caused by their projects. There are no uniform standards for doing this and no single registry of properties available for mitigation.

SOLUTIONS

- *Amend the California Environmental Quality Act guidelines to provide uniform mitigation standards.*
- *Create a register of all available mitigation banks and properties, suitable properties available for purchase, and parcels that public, private and non-profit agencies would like to add to their holdings and regularly update the register.*

PUBLIC COMMENT

25 comments were received for this recommendation. 10 comments expressed support. 10 comments expressed opposition. 5 comments were neutral.

Pros

- Uniform statewide standards and a mitigation property registry work hand-in-hand to provide certainty to project proponents and to those who are concerned about development; it makes it possible for all

parties to understand the rules and understand with certainty the potential mitigation.

- A statewide registry of mitigation properties would be extremely beneficial.

Cons

- Uniform standards cannot work because mitigation must be site-specific and proportional to the impact of the project.
- A one-size-fits-all approach is not appropriate and will not work.
- Uniform standards could serve as an impediment to public participation in this process.
- The mitigation registry should not contain properties that owners have not expressed a willingness to sell.
- The uniform standards should include loss of prime agricultural lands as a significant impact that must be offset.
- The state should develop a mechanism to allow project proponents to pay cash in lieu of finding and purchasing offset property; the state-designated agency would use the cash payment to purchase offset property to mitigate the effects of the project.

Considerations

- The property mitigation registry should include only willing sellers.
- Additional detail and analysis is necessary about the scope of uniform standards and whether it is feasible to have uniform standards that contain the necessary flexibility to meet site-specific, proportional impacts.
- Uniform standards should not preclude public participation in the CEQA process.
- Loss of prime agricultural land should be defined as a significant project impact.
- The state should develop an in lieu cash payment system to be included in the property mitigation program.

RES 32

BROADEN THE USE OF ENVIRONMENTAL FEE COLLECTIONS TO ADDRESS UNMET NEEDS

ISSUE

Fragmented, specialized funding for environmental programs undermines policy making based on performance and health-risk priorities.

SOLUTIONS

- *Amend the relevant sections of the Public Resources Code and the Health and Safety Code that impede use of program funds for purposes related to broader environmental protection goals.*
- *Amend the relevant sections of the Public Resources Code and the Health and Safety Code to allow greater discretion for allocation of grants based on performance outcomes by including in the law performance-based measures as the basis for grant awards and to allow for one-time funding outside narrow program areas based on high-priority needs when appropriate.*
- *Direct the California Environmental Protection Agency, the Consumer Services Agency, or successors to adopt regulations to create performance-based audit mechanisms as a requirement for all grant allocations and amend the law to make this requirement a permanent fixture of these programs.*

PUBLIC COMMENT

22 comments were received for this recommendation. 4 comments expressed support. 15 comments expressed opposition. 3 comments were neutral.

Pros

- Use of fees for broader purposes could help the state meet some of its high-priority needs.

Cons

- There is a well-established principle that a fee cannot exceed the level of service provided by programs and that there must be a connection (nexus) between the fee and its use (it must meet the need for which the fee-payer has “approved” its use). This proposal could easily undermine those principles.
- This proposal could establish a precedent that will undermine sound budgeting.

- The bottle and can recycling program is very effective; that effectiveness would be undermined by fund shifts.
- The Smog Check fund is very important to meet air quality needs and does provide direct benefits.

Considerations

- Focusing fee-based program funding on outcomes, as opposed to formulae without performance measures should be pursued.
- Establishing a nexus between the fee and its use is the critical test of any specific proposal. For example, the recently enacted fee on tires that will be used to address air quality impacts from decomposition of tires, which will be administered by the Air Resources Board.

RES 33

SCHOOL LAND BANK FUND BALANCE TRANSFER TO THE STATE TEACHERS' RETIREMENT SYSTEM

ISSUE

A \$50 million surplus sits idle in the School Land Bank Fund.

SOLUTIONS

- *Amend the appropriate sections of the Public Resources Code to direct that the current balance and future proceeds from the sale of school land and in-lieu lands be deposited in the State Treasury for credit to the State Teachers' Retirement System.*
 - *Use a portion of the School Land Bank Fund to pay the General Fund contribution for Fiscal Year 2005-2006. The remaining balance in the fund should be invested and managed by the State Teachers' Retirement System to generate future revenue that will benefit the fund.*
-

PUBLIC COMMENT

All 3 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- Opponents acknowledge that the funds intended to benefit retired teachers are sitting "idle" in a marginally productive fund.

Cons

- The issue paper underestimates the size of the General Fund contribution to the State Teachers' Retirement System by more than \$550 million.
- The specific proposal for use of these funds is not legal and would likely be subject to court challenge because the funds derived from the federal contribution cannot be used; only the interest can be used to benefit the Teachers' Retirement Fund.

Considerations

- The legality of using funds to make a contribution to the General Fund on behalf of the State Teachers' Retirement Fund should be clarified.
- The funds should be transferred from the account in which they reside to the State Teachers' Retirement System to be reinvested in ways that realize the highest yield.

RES 34

IMPROVE COLLECTION OF DEPARTMENT OF FISH AND GAME FEES FOR REVIEWING ENVIRONMENTAL REPORTS

ISSUE

Mandated Department of Fish and Game fees for review of Environmental Impact Reports are not being collected due to confusion about the program and a poorly designed collection system.

SOLUTIONS

- *Amend the appropriate sections of the Fish and Game Code to ensure that sufficient revenue is received to administer the provisions of the California Environmental Quality Act.*

PUBLIC COMMENT

14 comments were received for this recommendation. 10 comments expressed support. 3 comments expressed opposition. 1 comment was neutral.

Pros

- Improving the collection of this fee will enhance the ability to perform one of the Department of Fish and Game's core functions—evaluating the environmental and resource impacts of proposed development.
- Fees to support the department should be raised.

Cons

- This fee structure already provides a mechanism for collection that depends on local government's determination about the magnitude of the project's impact; that should remain in place, as is.
- The partial support from the fees for Fish and Game environmental reviews is appropriate because the most defensible source of revenue for this function is the General Fund; therefore, there is no need to improve the collection of this fee.

Considerations

- There are widely divergent views about the validity of this fee at both a policy level and philosophical level that should be considered.

RES 35

INCREASE EFFICIENCY IN USING EXISTING BOND FUNDS FOR ENVIRONMENTAL ENHANCEMENT

ISSUE

State land acquisition for resource conservation projects results in unnecessary costs to the state. State purchase of land also limits California's share of federal conservation funds.

SOLUTIONS

- *Dedicate available resources bond measure funds to protecting and improving open space, wildlife and water through public-private partnerships and conservation easements, where appropriate.*
 - *Coordinate state efforts to maximize federal funds available from the United States Departments of Agriculture and the Interior to supplement existing state resources bond measure funds and to develop a plan to sufficiently fund development, operations and maintenance costs for state-owned land used for conservation purposes.*
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PUBLIC COMMENT

20 comments were received for this recommendation. 6 comments expressed support. 10 comments expressed opposition. 4 comments were neutral.

Pros

- Conservation easements and public-partnerships offer the state opportunities to stretch scarce resources used to conserve land.
- By using these strategies the state can access federal funds in some specific cases.
- The state avoids maintenance and operation costs—costs that cannot be funded with bonds—at a time when maintenance and operation needs on state lands are under funded because of a lack of resources.

Cons

- These mechanisms, if used too frequently and for inappropriate circumstances, will not serve the public purposes for land acquisition in all cases because partnerships and easements do not provide for public access to the land or recreation activities on the land.
- These approaches force the state to incur monitoring costs to ensure the easement conditions are being fulfilled.
- If the state doesn't own the land, there is a risk that the public purpose will not be met.
- Easements provide only limited, temporary conservation of land.

Considerations

- Easements can reduce operation and maintenance costs, but increase monitoring and enforcement costs; these costs and benefits should be weighed.
- Depending on the specific circumstances, partnerships and easements may not be appropriate (e.g. when public access is necessary or recreation is the purpose).

